

Utah Health Systems Update 1: Review of Nursing Home Moratorium, 1989-2001

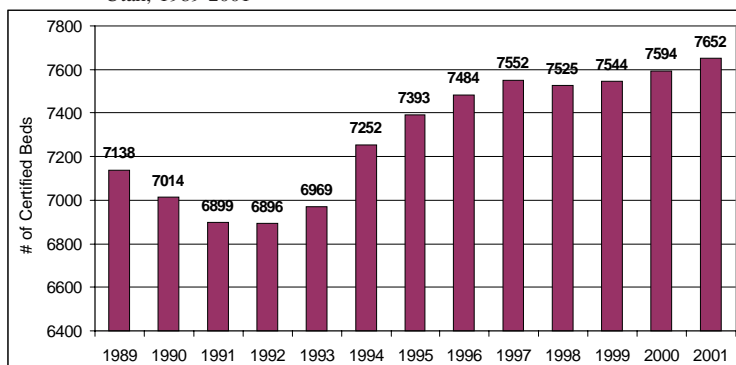
During the first six months of 2001, approximately 9,500 Utahns, or 4.32 percent of persons age 65 and over, were in long-term care (LTC) facilities. In response to growing changes and concerns in the long-term care (LTC) industry, the Utah Health Data Committee is evaluating whether the moratorium is fulfilling its intended purpose in today's environment. Careful review of current public policies related to LTC, especially the Medicaid program, is becoming an urgent issue for state policy makers.

Bed Construction - Utah Nursing Facilities

One goal of the moratorium on certification of Medicaid beds was to stabilize the long-term care system by slowing the increase in number of beds.

- There was a net growth of 514 nursing care facility beds between 1989 and 2001 (Figure 1). In spite of the slow growth in nursing home beds, Utah's population over age 65 grew from 147,068 to 190,222, a 29.3% increase, during the period of 1989-2000.
- Assisted Living beds grew dramatically in the late 1990s. Most of the assisted living growth occurred in the AL2 category, which increased by 979% in beds and 740% in facilities between 1997 and 2001.

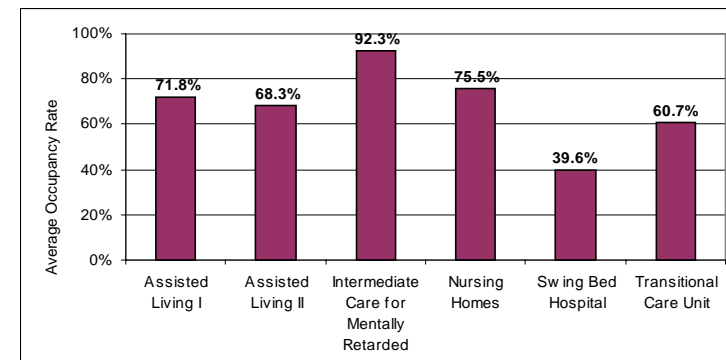
Figure 1. Total Average Medicaid/Medicare Certified Nursing Beds: Utah, 1989-2001



Occupancy Rates - Utah Nursing Facilities

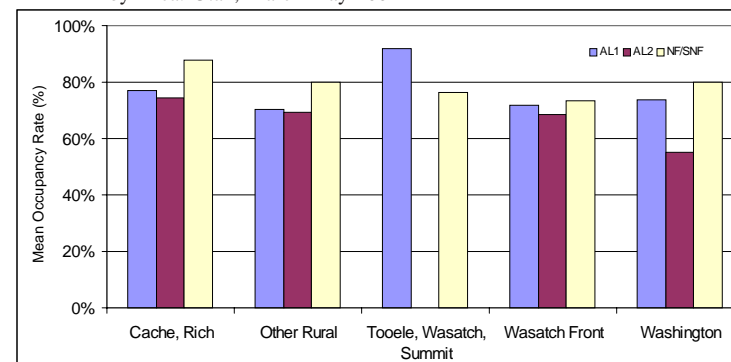
- Intermediate Care Facility for Mentally Retarded (ICF/MR) has the highest occupancy rate (92%) in Utah, followed by nursing homes (75.5%) and AL1 (71.8%) facilities (Figure 2).
- Due to the small number of AL2 facilities, occupancy rates for AL2 and nursing facilities appear to be independent of each other under current policies in 2001.

Figure 2. Occupancy Rates by Type of Facility: Utah, January-May 2001



- The Wasatch Front area has lower occupancy rates for nursing homes than other areas. However, its AL1 facilities have higher occupancy rates than other areas, except for Tooele and Wasatch counties (Figure 3).

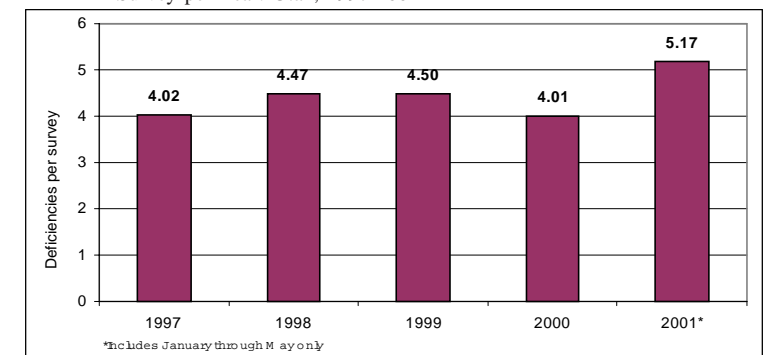
Figure 3. Occupancy Rates of Nursing Homes and Assisted Living Facilities by Area: Utah, March-May 2001



Quality of Care - Utah Nursing Facilities

- During the period from January 1997 through May 2001, the Bureau of Program Certification and Resident Assessment conducted 319 certification surveys on Medicaid/Medicare nursing homes in Utah. Each survey tracked the number and type of deficiencies found in the nursing facility.
- Deficiencies per survey maintained an unsteady rate during the period, reaching a peak of 5.17 deficiencies per survey in 2001 (Figure 5).
- Four quality indicators were created to help categorize deficiencies found in Utah nursing homes (regression analysis and descriptive statistics can be found in the Moratorium report):
 1. Total Number of Deficiencies
 2. Severity of Substandard Care
 3. Total Number of Deficiencies at Maximum Severity Level
 4. Percent of Deficiencies Representing Substandard Care
- Total number of deficiencies per survey proved to be the most powerful measure in evaluating nursing home quality. In particular, low occupancy rate and urban location has a significant effect on number of deficiencies.

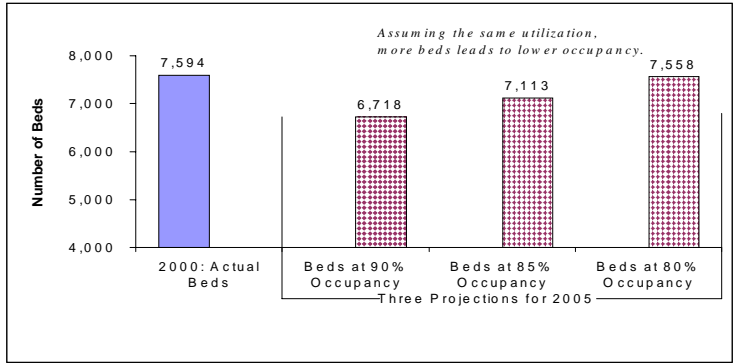
Figure 4. Average Number of Deficiencies per Medicaid/Medicare Certification Survey per Year: Utah, 1997-2001*



Projected Need of Nursing Home Beds

The current number of nursing home beds should be adequate to meet the needs of nursing home patients in 2005. This projection is based on three assumptions: (1) the utilization pattern remains the same as that in 2000; (2) the projected statewide occupancy rate is 80% or higher; and (3) the growth rate of the population age 65 and over is 8% or lower between 2000 and 2005.

Figure 5. Projected Needs of Nursing Home Beds: Utah, 2005



Recommendations

The Health Data Committee concludes that slow and incremental changes with tailored policies for different communities and patient populations will lead to a healthy transition and benefit long-term care consumer and providers in Utah.

Specifically, the Committee recommends the Utah Department of Health periodically publish the following LTC indicators:

- Capacity Indicator: Number of Beds
- Performance Indicator: Occupancy Rate
- Quality Indicator: Number of Deficiencies
- Projected Needs Indicator: Ideal Number of Nursing Home Beds at 90% or Higher Occupancy Rate

Further, in order to provide comprehensive planning information to LTC providers, developers, and policy makers, *the Committee recommends* that the State conduct a population-based assessment of long-term care needs and consumer preferences in Utah.

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For full report, go to <http://health.utah.gov/hda/Reports/NHM02.pdf>. Additional information about this topic can be obtained from the Office of Health Care Statistics, Utah Department of Health, P. O. Box 144004, Salt Lake City, Utah 84114-4004, (801) 538-7048, FAX (801) 538-9916.

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